

Minutes of Meeting
Health Services Council
Project Review Committee-II

DATE: 15 June 2006 TIME: 2:30 PM

LOCATION: Health Policy Forum

ATTENDANCE:

Committee II: Present: Victoria Almeida, Esq., (Vice Chair), Maria R. Gil, Sen. Catherine E. Graziano, RN, Ph.D., Robert J. Quigley, DC, (Chair), Larry Ross, Reverend David Shire (Secretary)

Not Present: Rosemary Booth Gallogly, Denise Panichas

Excused Absence: Raymond C. Coia, Esq., Wallace Gernt

Staff: Valentina D. Adamova, Michael K. Dexter, Bruce Cryan, Joseph G. Miller, Esq., Don Williams

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Time Extension for the Minutes Availability

The meeting was called to order at 2:35 PM. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The Chairman requested a motion for the extension of time for the availability of minutes pursuant to the Open Meetings Act. A motion was made, seconded and passed by five in favor and none opposed (5-0) that the availability of the minutes for this meeting be extended beyond the time frame provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Graziano, Quigley, Ross, Shire.

2. General Order of Business

Ms. Almeida noted for the record that she is recusing herself with regards to the change order request by Wayland Square Surgicare [HealthSouth Corporation] to change conditions of approval (regarding provision of free care) of the 25 October 1992 approval of the Certificate of Need application to establish a freestanding ambulatory surgical center in Providence.

The first item on the agenda was a presentation on hospital's charity care regulations by Bill Waters, Ph. D., Deputy Director of Health. Dr. Waters made a presentation to the Committee on hospital charity care regulations and discussed a draft generic charity care policy.

The next item on the agenda was a change order request by Wayland Square Surgicare [HealthSouth Corporation] to change conditions of approval (regarding provision of free care) of the 25 October 1992 approval of the Certificate of Need application to establish a freestanding ambulatory surgical center in Providence.

Mr. Rocha, legal counsel to the applicant, stated that she would like this meeting to focus on the recommendations for the change order request rather than the history of the licensure issues. Mr. Williams, Associate Director of Facilities Regulations, agreed.

Ms. Rocha stated that she doesn't agree that 1% is the appropriate number. She requested that the Committee require education and outreach as a condition of approval. She stated that Wayland Square has entered into a contractual agreement with the Rhode Island Free Clinic to provide up to 3 surgeries per month. She noted that Blackstone Valley Surgicare has also entered into that contractual obligation even though it doesn't have the same charity care requirement. She recommended that the Committee require reporting and monitoring to the Department as to the results of that education and outreach and as to the number of charity care procedures that are performed. She stated that the facility can't control patient admissions and doesn't want to be in the same situation 6 months from now when there is a requirement that it can't meet.

She stated that Dr. Water's presentation reflected information based on the average charity care from hospitals and doesn't believe it is appropriate because hospitals do not only provide elective services and do not pay taxes. She noted that hospitals are reimbursed for the Medicaid shortfall, and under the disproportionate share system for the difference between the costs in bad debt and the costs in charity care.

Staff noted that there are non-hospital facilities in Rhode Island such as home nursing care agencies which provide 1% charity care and which are not reimbursed like the hospitals.

Ms. Rocha stated that the applicant is asking that Wayland Square be relieved from 5% charity care requirement and that instead the Committee approved education, outreach and monitoring. She stated that if a specific percentage is to be required that the applicant believes an appropriate percentage to be 0.3%. Discussion ensued regarding the charity care requirements.

The Chairman noted his support to the reduction of the 5% requirement to 1% and including the outreach and educational programs components.

Mr. Miller, legal counsel to the Department, stated to the Chairman that this decision would set precedent and that if the Committee

removes the charity care requirement from Wayland Square then every other facility will want the same.

With regards to applicant's comments about in-kind contributions, Sen. Graziano suggested that the applicant can go ahead with its plans for contributions of equipment and supplies and then use this history when testifying in front of the regulatory body.

The Chairman made a motion to change the 5% charity care requirement to 1%. The motion was seconded. Discussion ensued regarding the language of the conditions of approval. It was recommended that the second part of #4 from the draft given about the charity care policy be removed and that a period be put after the words 'direct service' and that 'either' be taken out.

Mr. Ross addressed the issue of in-kind contributions. Staff noted the issue of how to value in-kind contributions. The Chairman noted a statement, with which he agrees, made at a previous meeting by Sen. Graziano, that the Committee would like to see person to person, doctor to patient, or nurse to patient care and furniture don't address that. To a question, Mr. Miller noted that staff was not considering in-kind contributions.

The applicant proposed including in-kind contributions as charity care. The Chairman noted that the applicant can provide in-kind contributions regardless of the decision the Committee makes on the

change order request.

A motion was made, seconded and passed by a vote of four in favor, one opposed and one recused (4-1-1) to recommend that the application be approved with the conditions of approval to substitute in place of the five percent free care requirement, the language contained in points 1 – 5 of the draft generic charity care document with the word “either” in point #4 deleted and the placing of a period after the word “service” and the deletion of all words in #4 after the word “service.” Those members voting in favor of the motion were: Gil, Graziano, Quigley, Shire. Ross opposed. Almeida recused.

Mr. Ross stated that he is not opposed to a charity care policy but is concerned about in-kind services are not being addressed.

Staff noted that a specific date has not been set for the next Health Services Council meeting.

There being no further business the meeting was adjourned at 3:45 PM.

Respectfully submitted,

Valentina D. Adamova